

STATE OF MARYLAND

MARYLAND DEPARTMENT OF THE ENVIRONMENT

Shari T. Wilson, Secretary

BILL NO: Senate Bill 3

COMMITTEE: Education Health and Environmental Affairs

POSITION: Support with Amendment

TITLE: Environment – Wetlands and Waterways Program Fees – Aquaculture

BILL ANALYSIS: This bill would exempt aquaculture activities for which the Department of Natural Resources has issued a permit under §4-11A-02 from the application fees established under §5-203.1(b)(2) of the Environment Article.

With the exception of aquaculture operations that take place designated Aquaculture Enterprise Zones (AEZ's), aquaculture activities in tidal waters require a State tidal wetlands license or tidal wetlands permit under Title 16 of the Environment Article. In addition, aquaculture operations that impact nontidal wetlands or nontidal waterways require a nontidal wetlands and waterways permit under Title 5, Subtitle 5 and 9 of the Environment Article. All wetland applications must be accompanied by a \$750 application fee, with major projects (i.e., those that involve more than 5,000 square feet of impact, require a public notice, or otherwise implicate endangered species, historical resources, or other sensitive resources) charged between \$1,500 to the impact area in acres multiplied by \$7,500 for a project with a proposed permanent impact of one acre or more. In addition, an applicant's request to modify an existing authorization is assessed a \$500 fee. Some activities are exempt from the fees, including State and local projects; certain agricultural and forestry best management practices; and stream restoration, vegetative shoreline stabilization, wetland creation, or other projects in which the primary effect is to enhance the State's wetland or water resources. Application

fees, which may be adjusted annually for inflation, are paid into the Wetlands and Waterways Program Fund.

Due to public notice requirements, commercial oyster aquaculture will always be classified as a major project, thus triggering a total fee of \$1,500 (a \$750 initial application fee and a \$750 major application fee), but that no impact fee will be assessed. No application will be assessed for environmental oyster aquaculture, as it falls under the existing statutory exemption for projects that enhance the State's wetland or water resources. Aquaculture activities occurring in DNR-approved Aquaculture Enterprise Zones (AEZs) in the Chesapeake Bay are exempt from licensing requirements established for State wetlands. This bill would exempt commercial aquaculture projects from all fees.

POSITION AND RATIONALE: The Department recognizes the environmental and economic benefits of aquaculture activities within the Chesapeake Bay, and supports efforts to foster this industry. For this reason, MDE supports a three year suspension of all application and impact fees for commercial aquaculture. MDE will report to the General Assembly on or before October 1, 2013 on the status of aquaculture permitting and recommend if a continuation of the suspension should be extended.

FOR MORE INFORMATION,
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BY: The Maryland Department of the Environment

AMENDMENT TO SENATE BILL 3
(First Reading File Bill)

AMENDMENT NO. 1

On page 4, in line 7 before “AQUACULTURAL” insert “FOR A
DURATION OF THREE YEARS FROM THE EFFECTIVE DATE OF
THIS BILL.”